

REMARKS

Claims 1 and 3-48 are pending in the present application. Claim 2 was previously cancelled. To more clearly define the invention, claims 1, 18, 25, 31, 32, 34, 37, and 45 are presently amended.

Rejection Under 35 U.S.C. 101

Claims 1, 3-17 were rejected under 35 U.S.C. 101 as being directed to a non-statutory subject matter. Independent claim 1 has been amended to include "... transaction card" to recite hardware in the claim.

Rejection Under 35 U.S.C. 112

Claims 1, 3-17, 25, 37, and 45-48 were rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The Examiner states that claims 1, 3-17, and 45-48 recite "system" which is vague and indefinite. Independent claim 1 has been amended to include "transaction card" and independent claim 45, as previously presented, recites "smart card" and "purchase device" among other elements. Furthermore, claims 1 and 25 have been amended to recite "between each other" pursuant to the Examiner's comments. Regarding the "compatible" limitation in claims 1, 37, and 45, it relates to the ability to perform the financial transaction that is described in the respective claims. The term "compatibility" is also described in the specification at, for example, p.4, lines 22-32.

Rejection Under 35 U.S.C. 103

Claims 1, 3-35, 37-42, and 44-48 were rejected under 35 U.S.C. 103(a) as being unpatentable over Carlisle et al. (“Carlisle”) in view of Derksen and Gungl et al. (“Gungl”). Claims 36 and 43 were rejected under 35 U.S.C. 103(a) as being unpatentable over Carlisle in view of Derksen and Gungl as applied to claims 1, 3-35, 37-42, and 44-48 above, and further in view of Taskett.

The rejection of the claims is respectfully traversed for at least the following reasons: As noted by the Examiner the primary reference, Carlisle, does not show or suggest, among other things, storing both an application-specific value and a general value on a transaction card wherein the application-specific value the general value are each exchangeable between each other as claimed in the independent claims. *See* Office Action, p. 6. The Examiner specifically states that “Carlisle et al does not explicitly disclose: storing general value in an electronic application...” nor that the “...application-specific value and the general value [are] each exchangeable with each other...”. The Examiner relies on Derksen to show “storing general value in an electronic application” and Gungl to teach “that multiple applications may be usable on a single smart card” and there are “administrative functions requiring applications to communicate with each other.” *See* Office Action, p. 7.

This combination of Carlisle, Derksen, and Gungl as a basis for rejecting the independent claims is respectfully traversed. The criteria for determining obviousness is whether the prior art suggests to one of ordinary skill in the art that the invention should be carried out.

The Federal Circuit stated:

Obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching, suggestion, or incentive supporting the combination... At best, in view of [the prior art] disclosures, one skilled in the art might find it obvious to try various combinations of these known [elements]. However, this is not the standard of 35 U.S.C. §103. *In re Geiger*, 2 U.S.P.Q. 2d 1276 (Fed. Cir. 1987) (emphasis added).

Furthermore,

In determining whether such a suggestion can fairly be gleaned from the prior art, the full field of the invention must be considered; for the person of ordinary skill in the art is charged with knowledge of the entire body of technological literature, including that which might lead away from the claimed invention. *In re Dow Chemical Company*, 837 F.2d 469, 473 (Fed. Cir. 1988) (emphasis added).

It is respectfully submitted that Gungl does not teach or suggest storing both an application-specific value and a general value on a transaction card as claimed in the independent claims, nor that that the application-specific value and the general value are each exchangeable between each other. In fact, Gungl leads away from such an invention. Gungl specifically teaches a chip card whereby “application programs which are stored on the chip card do not have access to each other.” Col. 3, lines 20-22 (emphasis added). Although the Examiner cites to language about “communication” that may occur between independent units on a chip (Col. 3, lines 35-44), there is no suggestion in Gungl that application-specific value and general value are being exchanged. The Examiner also cites to the Background section of Gungl at Col. 2, lines 26-56 that discloses prior art chip cards known as “multifunction or multifunctional chip cards” that are susceptible to an operator of an application program because he may “move feely” on the chip card. This disclosure, however, does not show or suggest storing both an application-specific value and a general

value on a transaction card as claimed in the independent claims, or that that the application-specific value and the general value are each exchangeable between each other.

Because the dependent claims depend from independent claims 1, 18, 25, 37, and 45, the reasons set forth above are equally applicable to the rejection of the dependent claims.

CONCLUSION

Should the Examiner determine that any further action is necessary to place this application into better form for allowance, the Examiner is encouraged to telephone the undersigned representative at the number listed below. No further fees are believed due, however, if there are any fees due, please charge to deposit account No. 501458.

Respectfully submitted,

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